

Report for: Pensions Committee and Board – 21 March 2023

Title: Pension Administration Update

Report authorised by: Josephine Lyseight, Assistant Director of Finance (Deputy Section 151 Officer)

Lead Officers: Tim Mpofo, Head of Pensions & Treasury, and Jamie Abbott, Pensions Manager, 020 8489 3824, Jamie.Abbott@haringey.gov.uk

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Not applicable

1. Describe the issue under consideration

- 1.1. This report provides the Pensions Committee and Board with the following updates regarding Pension Fund's administration activities:
- a. Pension Fund membership update
 - b. Online Member Self Service portal update
 - c. Update on McCloud

2. Cabinet Member Introduction

- 2.1. Not applicable

3. Recommendations

The Pensions Committee and Board is recommended:

- 3.1. To note the report and the information provided regarding the Pension Fund's administration activities as set out in section 6 of this report.

4. Reason for Decision

- 4.1. Not Applicable

5. Other options considered

- 5.1. Not applicable.

6. Background information

Membership Update

- 6.1. Employees working for an employer that participates in the Local Government Pension Scheme (LGPS) are eligible for membership in the scheme. Membership in the LGPS is voluntary, and members are free to choose whether to continue participating in the scheme or to make personal arrangements outside of it.
- 6.2. The table below provides a breakdown of Haringey Pension Fund's membership as at 31 December 2022.

Member status	30 Jun 2022	30 Sep 2022	31 Dec 2022
Active members	6,308	6,301	6,271
Pensioner members	8,426	8,420	8,578
Deferred members	10,727	10,660	10,509
Total scheme members	25,461	25,381	25,358

Online Member Self Service Portal Update

- 6.3. The Member Self Service (MSS) portal is a pension scheme website that allows members to register an account to view/update their personal information. Members can also log in to the MSS to run their own retirement estimates, which helps them make more information decisions regarding their retirement planning.
- 6.4. The table below provides a breakdown of the number of active scheme members who had a registered account on Haringey Pension Fund's MSS at 31 December 2022.

Member Self Service	30 Sep 2022	31 Dec 2022
Total active members	6,301	6,271
Total active member registrations on MSS	953	1,028
Proportion of registered active members	15.12%	16.39%

- 6.5. The increase in active members registered for the Member Self Service portal is in part due to the increased employee engagement activities carried out by the Pensions Team. This has been in the form of drop-in sessions and site visits to engage with members who are not based in the main Council's building.
- 6.6. The Pensions Team aims to increase active member signups for the MSS by carrying out further engagement activities in collaboration with other teams across the Fund.
- 6.7. In addition to the earlier table, the table below provides a breakdown of the number of members who have accessed the Member Self Service portal in the last 7 days, 30 days, 2 months and 3 months.

Period last accessed	No. of Members
Last 7 days	42
Last 30 days	116
Last 2 months	92
Last 3 months	44

McCloud Update

- 6.8. The Pensions Committee and Board has previously received advice regarding the outcome of the McCloud case, an age discrimination court case involving transactional protection arrangements introduced as part of the 2014 reforms of the LGPS. It allowed those within 10 years of retirement to remain in their existing pension schemes when the reformed schemes were introduced. However, in 2018, the courts found this to be discriminatory against younger members of the judicial and firefighters' pension schemes. The government accepted that the judgement would apply to local government schemes as well.
- 6.9. Following on from the Scheme Advisory Board's McCloud guidance issued in July 2020, further guidance was issued beginning of March 2023 around issues regarding the data collection part of the project.
- 6.10. The guidance sets out the available options for administering authorities in England and Wales may consider if they are unable to collect the necessary data to implement the McCloud remedy. It covers both missing data and data the Fund is not confident is accurate.
- 6.11. The Fund continues to work in conjunction with Heywood, the Fund's administration software provider on a McCloud solution in relation to the data gathering stage and have had a response rate of 45% to date.
- 6.12. The next stage will be to analyse the data received to assess if it is accurate and whether it can be uploaded into the Pensions system.
- 6.13. Officers anticipate that the implementation of the proposed remedial regulations will be both complex and time consuming, particularly the collection of information and the subsequent McCloud calculations required to perform any retrospective corrections required to member benefits. Additional resources are likely to be required to undertake this work.
- 6.14. Officers will continue to keep the Pensions Committee and Board informed of developments related to the McCloud remedy activities.

7. Contribution to Strategic Outcomes

- 7.1. Not applicable

8. Statutory Officer Comments

Finance and Procurement

- 8.1. Not applicable.

Legal

8.2. The Head of Legal and Governance (Monitoring Officer) has been consulted on the contents of this report.

Equalities

8.3. The Local Government Pension Scheme is a defined benefit open scheme enabling all employees of the Council to participate. There are no impacts in terms of equalities issues arising from the contents of this report.

9. Use of Appendices

9.1. None

10. Local Government (Access to Information) Act 1985

10.1. Not applicable.